

INTRODUCTION

Oceana County Prosecuting Attorney (PA) had a contract with the Michigan Family Independence Agency (FIA) to establish paternity and to obtain support orders for all cases where the Oceana County Prosecuting Attorney had jurisdiction. The Oceana County PA billed FIA monthly under the actual cost reimbursement billing method. FIA reimbursed Oceana County for their costs based on the Federal IV-D Program regulations.

SCOPE

We performed an audit of the costs submitted for reimbursement by the Oceana County PA for the period October 1, 2000 through September 30, 2001. We performed the audit tests that we determined were necessary to determine if the costs charged were proper, accurate, documented, and charged in accordance with the terms of the contract.

EXECUTIVE SUMMARY

We found that the Oceana County PA overbilled the FIA for Central Services Cost Allocation line item. The State share of the amount overbilled was \$374. (See Schedule A.)

Our report recommends the Office of Child Support initiate the process to recoup \$374 from the Oceana County PA.

PA RESPONSE

The Oceana County PA has reviewed the findings and recommendations included in this report. They indicated in a telephone conversation on October 16, 2002 that they would provide additional information to document what was included in the data processing charges. To date, they have not provided this information.

FINDINGS AND RECOMMENDATION

Central Services Cost Allocation

1. Oceana County PA overbilled the FIA \$564 for data processing. The State share of the overbilling is 66%, or \$374. The PA was unable to provide documentation or detailed analysis of why this cost was allocated to the PA. Data processing charges are unallowable pursuant to the agreement between the FIA Office of Child Support and the Prosecuting Attorneys Association of Michigan.

WE RECOMMEND the Office of Child Support initiate the process to recoup \$374 from the Oceana County PA.

Finding #	Line Item	Audit Period	(Over)/Under Billed Gross Amount	IV-D %	(Over)/Under Billed IV-D Amount	State %	Due (State) County
1	Central Services	10/1/00-9/30/01	\$ (1,377)	41.16%	\$ (567)		
Grand Total of the IV-D Audit Adjustments					<u>\$ (567)</u>		
Calculation of the Payment Due the (State) County							
Audited IV-D Amount					\$ (567)		
					<u>\$ (567)</u>	66.00%	<u>\$ (374)</u>